



February 6, 2001

SENATE BILL No. 196

DIGEST OF SB 196 (Updated February 1, 2001 12:39 PM - DI 104)

Citations Affected: IC 27-7.

Synopsis: Title insurance. Requires a title insurance company that issues a title insurance policy to perform a title search in conjunction with the issuance of the policy. Defines "title search".

Effective: July 1, 2001.

Paul

January 9, 2001, read first time and referred to Committee on Insurance and Financial Institutions.
February 5, 2001, amended, reported favorably — Do Pass.

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SB 196—LS 6845/DI 104+



February 6, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

SENATE BILL No. 196

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-7-3-2 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2001]: Sec. 2. As used in this chapter and
3 unless a different meaning appears from the context:

4 (a) The term "title insurance" means a contract of insurance against
5 loss or damage on account of encumbrances upon or defects in the title
6 to real estate.

7 (b) The term "company" shall mean and include any corporation,
8 domestic or foreign, to which this chapter is applicable.

9 (c) The term "department" shall mean the department of insurance
10 of the state of Indiana.

11 (d) The term "commissioner" shall mean the insurance
12 commissioner.

13 (e) **"Public record" means a record established under state law
14 to provide constructive notice of matters affecting real estate to a
15 bona fide purchaser or lender for value who does not have actual
16 knowledge of matters affecting the real estate.**

17 (f) **"Title search" means a search and examination of the public**

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1 records sufficient to determine:

2 (1) ownership of;

3 (2) encumbrances on;

4 (3) liens on; and

5 (4) defects in the title to;

6 the real estate that is the subject of the search.

7 SECTION 2. IC 27-7-3-21 IS ADDED TO THE INDIANA CODE
8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

9 1, 2001]: **Sec. 21. A company described in section 3 of this chapter**
10 **that issues a title insurance policy shall perform a title search for**
11 **the real estate in conjunction with the issuance of the policy.**

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COMMITTEE REPORT

Mr. President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 196, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 17, delete "plant" means a privately maintained copy of a public" and insert **"search" means a search and examination of the public records sufficient to determine:**

(1) ownership of;

(2) encumbrances on;

(3) liens on; and

(4) defects in the title to;

the real estate that is the subject of the search."

Page 2, delete lines 1 through 7.

and when so amended that said bill do pass.

(Reference is to SB 196 as introduced.)

PAUL, Chairperson

Committee Vote: Yeas 10, Nays 0.

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